

# CANADIAN WESTINGHOUSE COMPANY, LIMITED

## FIFTEENTH ANNUAL REPORT

DECEMBER 31ST, 1918

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### DIRECTORS

H. H. WESTINGHOUSE, CHAIRMAN OF THE BOARD

LIEUT.-COL. PAUL J. MYLER, PRESIDENT

L. A. OSBORNE, VICE-PRESIDENT

F. A. MERRICK, VICE-PRESIDENT AND GENERAL MANAGER

T. AHEARN

JOHN F. MILLER

WARREN Y. SOPER

SIR JOHN M. GIBSON, K. C. M. G.

CHARLES A. TERRY

GENERAL GUY E. TRIPP

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W. E. SPRAGUE, SECRETARY

GEORGE R. KERR, TREASURER

N. S. BRADEN, MANAGER OF SALES

H. M. BOSTWICK, ASST. MANAGER OF SALES

C. H. O. POOK, MANAGER OF WORKS

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PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

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### SALES OFFICES

MONTREAL, QUE.

HALIFAX, N. S.

VANCOUVER, B. C.

TORONTO, ONT.

OTTAWA, ONT.

FORT WILLIAM, ONT.

WINNIPEG, MAN.

CALGARY, ALTA.

EDMONTON, ALTA.

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# CANADIAN WESTINGHOUSE COMPANY, LIMITED

## FIFTEENTH ANNUAL REPORT

DECEMBER 31ST, 1918

The Directors submit herewith the usual certified Balance Sheet of the Company, at the close of the fiscal year ended December 31st; and a statement of the Profit and Loss Account, showing earnings for the year 1918 amounting to \$1,040,718.01, from which the sum of \$170,000.00 has been written off for general depreciation, leaving net profits of \$870,718.01.

During the year quarterly dividends at the rate of seven per cent. per annum and an extra dividend of two per cent. on the capital stock were paid, amounting to \$560,646.00, leaving a balance of \$810,072.01 carried forward to Profit and Loss, which account shows as of December 31st, 1918, a total surplus of \$1,711,688.37.

Near the end of the year just closed, the collapse of Germany and her allies, after more than four years in which every agent of civilization had been bent to the prosecution of war on a scale beyond precedent, left the world confronted with the problems of readjustment to normal life. In the application of these problems to conditions in Canada, it is proper to consider that though the Dominion made more than her patriotic contribution in men and money, and in a spirit above that of counting the cost, she at the same time bettered her general commercial status, in that her war operations have built up an international balance in her favor, which though not at present liquid is still a potential factor in the readjustment period.

Although the incidence of these conditions on the affairs of your Company is a matter of future determination, it may be said at present that your Company finds itself in a strong position for either an immediately expanding business or for such period of hesitancy as may normally follow a sudden change from war to peace status.

Speaking of the past year's business, the gross amount as well as the operating results have been in substantial accord with those of the previous year, while as to performance of the functions of an engineering company the Westinghouse standards have been maintained in excellence of design, quality of materials and thoroughness of workmanship.

The efficiency of the departments concerned directly in this work has been equally matched in the efforts of the correlated departments and the actuating spirit of the whole organization has been an earnest and loyal support of the Company's best interests.

Operating costs of the year have included adequate charges for maintenance and replacement as well as for obsolescence depreciation of special equipment.

All inventories have been carefully verified by count and conservatively priced, using the lower of either the book or current figures with appropriate readjustments on items affected by diminishing use or salability.

In sorrow and with a deep sense of loss, your Board records the death during the year of Mr. Charles F. Sise, a member of the Board; Mr. Alfred R. Miller, Treasurer; and Mr. John H. Kerr, Secretary; all associated with the Company in their respective capacities since its inception in 1903.

Mr. F. A. Merrick, Vice President and General Manager, was elected a member of the Board to fill the vacancy created by the death of Mr. Sise.

By Order of the Board,

H. H. WESTINGHOUSE,  
*Chairman*



# ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1918

## GENERAL BALANCE SHEET

### ASSETS:—

|                                                                                                        |   |   |   |   |                |               |                |
|--------------------------------------------------------------------------------------------------------|---|---|---|---|----------------|---------------|----------------|
| CASH                                                                                                   | - | - | - | - | -              | \$ 493,900.96 |                |
| DOMINION WAR LOAN BONDS, ETC.                                                                          | - | - | - | - | -              | 84,100.00     |                |
| ACCOUNTS AND BILLS RECEIVABLE (less Advance Payments)                                                  |   |   |   |   |                | 1,908,621.39  |                |
| PROPERTY AND PLANT                                                                                     |   |   |   |   |                |               |                |
| Hamilton, (includes Air Brake and Electric Properties, Real Estate, Office Buildings, Equipment, etc.) | - |   |   |   | \$2,725,657.59 |               |                |
| Winnipeg, (includes Real Estate and Building for Offices and Warehouse)                                |   |   |   |   | 55,500.00      |               |                |
| Patents, Rights and Licenses                                                                           | - | - |   |   | 600,000.00     |               |                |
|                                                                                                        |   |   |   |   | 3,381,157.59   |               |                |
| Written off for Depreciation                                                                           | - | - |   |   | 170,000.00     | 3,211,157.59  |                |
| INVENTORY OF MATERIALS AND PRODUCTS ON HAND, DECEMBER 31st, 1918                                       | - | - | - | - | -              | 3,738,377.38  |                |
| INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE                                                          |   |   |   |   |                | 5,241.05      | \$9,441,398.37 |

### LIABILITIES:—

|                                            |   |   |   |   |                 |                |                |
|--------------------------------------------|---|---|---|---|-----------------|----------------|----------------|
| CAPITAL STOCK                              |   |   |   |   |                 |                |                |
| Authorized                                 | - | - |   |   | \$10,000,000.00 |                |                |
| Issued                                     | - | - | - | - | -               | \$6,229,400.00 |                |
| CURRENT ACCOUNTS PAYABLE                   | - | - | - | - | -               | 436,400.16     |                |
| DIVIDEND NO. 57, PAYABLE JANUARY 1ST, 1919 | - | - | - | - | -               | 233,602.50     |                |
| CONTRACTS IN PROGRESS                      | - | - | - | - | -               | 80,307.34      |                |
| RESERVE                                    |   |   |   |   |                 |                |                |
| For Depreciation of Property and Plant     |   |   |   |   | \$500,000.00    |                |                |
| For Inventory Adjustment                   | - | - |   |   | 100,000.00      |                |                |
| For Insurance Fund Purposes                | - | - | - | - | 150,000.00      | 750,000.00     |                |
| PROFIT AND LOSS ACCOUNT                    | - | - | - | - | -               | 1,711,688.37   | \$9,441,398.37 |

## PROFIT AND LOSS ACCOUNT

### INCOME AND EXPENDITURE

|                                                                                                                                                                                          |   |   |   |   |                |            |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|----------------|------------|----------------|
| BALANCE BROUGHT FORWARD JANUARY 1ST, 1918                                                                                                                                                | - | - | - | - | -              |            | \$1,401,616.36 |
| EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1918                                                                                                                                          |   |   |   |   |                |            |                |
| From Manufacturing Operations                                                                                                                                                            | - | - | - | - | \$1,622,048.88 |            |                |
| Administration, Selling and General Expenses, etc., including provision for Doubtful Accounts, Payment of Business Profits War Tax, Subscriptions to Patriotic and Red Cross Funds, etc. | - | - |   |   | 617,168.49     |            |                |
|                                                                                                                                                                                          |   |   |   |   | 1,004,880.39   |            |                |
| From Interest on Dominion War Loan Bonds                                                                                                                                                 | - | - |   |   | 21,529.26      |            |                |
| From Bank Interest and Miscellaneous Earnings                                                                                                                                            | - | - |   |   | 14,308.36      |            |                |
|                                                                                                                                                                                          |   |   |   |   | 1,040,718.01   |            |                |
| LESS :—Written off for Depreciation                                                                                                                                                      | - | - | - | - | 170,000.00     |            |                |
| NET EARNINGS                                                                                                                                                                             | - | - | - | - | -              | 870,718.01 |                |
| LESS DIVIDENDS, 1918                                                                                                                                                                     | - | - | - | - | -              | 560,646.00 | 310,072.01     |
| BALANCE CARRIED FORWARD JANUARY 1ST, 1919                                                                                                                                                | - | - | - | - | -              |            | \$1,711,688.37 |

PAUL J. MYLER,  
President

F. A. MERRICK,  
Vice-President

### AUDITOR'S CERTIFICATE

I have audited the books of the Company for the twelve months ended 31st December, 1918, and have been furnished with vouchers for all expenditures. I have obtained all information and explanations required by me, and in my opinion the Balance Sheet is properly drawn up so as to exhibit a correct view of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

Hamilton, Canada, March 1st, 1919

C. S. SCOTT, F. C. A.,  
Auditor

